

#### **48.010 Definitions for chapter.**

As used in this chapter, unless the context requires otherwise:

- (1) "Account" is a technical accounting term meaning a formal record in which related transactions and events, (i.e., expenditures, receipts, encumbrances, and inter-account charges or credits) which occur during a specific period of time, are summarized and accumulated.
- (2) "Activities" means those actions or services performed by a budget unit which depict in a quantitative manner the fulfillment of lawful purposes.
- (3) Appropriation-related terms are defined for procedures prescribed by this chapter as follows:
  - (a) "Appropriation" means an authorization by the General Assembly to expend, from public funds, a sum of money not in excess of the sum specified, for the purposes specified in the authorization and under the procedure prescribed in this chapter;
  - (b) "Appropriation provision" means a section of any enactment by the General Assembly which is not provided for by this chapter and which authorizes the expenditure of public funds other than by a general appropriation bill;
  - (c) "General appropriation bill" means an enactment by the General Assembly that authorizes the expenditure of public funds in an executive, judicial, or legislative branch budget bill as provided for by this chapter.
- (4) "Budget" means the complete financial plan for each fiscal year contained in a branch budget bill provided for by this chapter.
- (5) "Branch budget bill" means an enactment by the General Assembly which provides appropriations and establishes fiscal policies and conditions for the biennial financial plan of each branch of government.
- (6) "Branch budget recommendation" means the recommendations to the General Assembly of the Governor for the executive branch and for fiscal matters related to the function of the government of the Commonwealth, the Chief Justice for the judicial branch, and the Legislative Research Commission for the legislative branch, accompanied by an estimate of the receipts and expenditures for each branch and accompanying explanations provided for by this chapter for the next two (2) fiscal years.
- (7) "Budget unit request" means a detailed statement of the financial requirements of a budget unit by principal budget class, and an estimate of its receipts and expenditures for the next two (2) fiscal years, with the accompanying explanations provided for by this chapter.
- (8) "Budget unit" or "appropriation unit" means any subdivision of any branch of government, however designated in any branch budget bill.
- (9) "Capital outlay" means the exchange of values involved in acquiring lands, buildings, equipment, or other permanent properties, or in their construction, development, or permanent improvement.
- (10) "Disbursement" means cash actually paid out for any purpose.

- (11) "Employee" means the lawful incumbent of a position.
- (12) "Expenditure" means cash actually paid out or an exchange of value for any purpose.
- (13) "Fund" means an independent fiscal and accounting entity with a self-balancing set of accounts recording cash or other resources or both together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities in accordance with legal restrictions or other limitations, to include:
  - (a) "General Fund." This fund shall consist of all moneys, not otherwise restricted, available for the general operations of state government.
  - (b) "Bond Debt Related Fund." This fund shall consist of all outstanding bonded debt liability and related funds of state government, including all revenue bonds issued by or approved by the State Property and Buildings Commission. Accounts necessary to assure integrity of trust indentures shall be maintained. Funds appropriated for debt service shall be allotted to these accounts and any excess of appropriation over net requirements for principal, interest, and reserves for any issue shall lapse to the surplus account of the general fund if general funds are a part of the appropriation for that budget unit.
  - (c) "Capital Construction Fund." This fund shall consist of moneys appropriated under the provision of KRS 45.750 to 45.800 for capital construction projects, except road construction projects, for all budget units of state government.
  - (d) "Federal Fund." This fund shall include all receipts from the federal government for any purpose.
  - (e) "Fiduciary Fund." This fund shall consist of moneys held by a budget unit in a trustee capacity.
  - (f) "Restricted Fund." This fund shall consist of budget unit receipts restricted as to purpose by statute.
  - (g) "Road Fund." This fund shall consist of money derived from excise or license taxation relating to gasoline and other motor fuels, and moneys derived from fees, excise or license taxation relating to registration, operation, or use of vehicles for use on public highways. A separate record of each source of receipt within this fund group shall be maintained.
- (14) "Principal budget class" includes the following:
  - (a) "Capital outlay" means the exchange of values involved in acquiring lands, buildings, or other permanent properties, or in their construction, development, or permanent improvement estimated to cost less than four hundred thousand dollars (\$400,000), and items of equipment or other capital items estimated to cost less than one hundred thousand dollars (\$100,000).
  - (b) "Debt service" means the amount of money required to pay the interest, principal, and required contributions to accumulate moneys for future retirement of lawfully incurred debt.

- (c) "Grants, loans, or benefits" means expenditures for any grant, aid, loan, or relief payment to individuals, organizations, or jurisdictions not otherwise classified pursuant to this chapter.
  - (d) "Operating expenses" means expenditures directly attributable to the operation of state government not otherwise classified pursuant to this chapter.
  - (e) "Personnel costs" means the salaries, wages, benefits (including but not limited to, employer share of FICA, retirement contributions, insurance, unemployment insurance, workers' compensation), and increments of all officers and employees, and payment to persons awarded personal service contracts.
- (15) "Receipts" includes the following:
- (a) "Nonrevenue receipts" means values accruing that either decrease an asset or create a liability.
  - (b) "Operating receipts" means cash received by a budget unit for services rendered, or from the sale of materials, goods, or supplies created by the budget unit or of items held for resale.
  - (c) "Revenue receipts" means values accruing as a result of taxation or revenues, or both, and without resultant increase in liabilities or decrease in assets, whether such values are represented by cash actually received or by amounts due and payable, or partly by each.
- (16) "Writing" or "written" means letters, words, or numbers, or their equivalent, set down by handwriting, typewriting, printing, photostating, photographing, magnetic impulse, mechanical or electronic recording, or other form of data compilation.

**Effective:** July 15, 1998

**History:** Amended 1998 Ky. Acts ch. 120, sec. 21, effective July 15, 1998. -- Amended 1994 Ky. Acts ch. 31, sec. 4, effective July 15, 1994; and ch. 387, sec. 1, effective July 15, 1994. -- Amended 1990 Ky. Acts ch. 507, sec. 5, effective July 13, 1990. -- Created 1982 Ky. Acts ch. 450, sec. 1, effective July 1, 1983.

**2006-2008 Budget Reference.** See State/Executive Branch Budget, 2006 Ky. Acts ch. 252, Pt. II, (4), at 1216; and State/Executive Branch Budget Memorandum, 2006 Ky. Acts ch. 257, at 1592 (Final Budget Memorandum, at 55).

**2004-2006 Budget Reference.** See Legislative Branch Budget, 2004 Ky. Acts ch. 82, pt. II, 3., at 295.

**2004-2006 Budget Reference.** See State/Executive Branch Budget, 2005 Ky. Acts ch. 173, pt. II, (5), at 3098; and State/Executive Branch Budget Memorandum, 2005 Ky. Acts ch. 170, at 1600 (Final Budget Memorandum, at 37).